

# INFORMATION LETTER

## NATIONAL CANNERS ASSOCIATION

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Publication

For Members  
Only

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### WAGE AND HOUR BILL

#### Rule for Consideration, It Is Said, Will Be Requested Week of April 25th

The House revision of the wage and hour bill (S. 2475) was formally reported by the House Labor Committee on April 21st, and it is understood that Chairman Norton of the Labor Committee will, sometime during the week of April 25th, ask for a rule for its consideration.

As pointed out in last week's INFORMATION LETTER the bill now reported eliminates the exemption of cannery employees from the hours provisions of the proposed law as carried in the bill passed by the Senate.

The provisions of the bill would apply to all industries found by the Secretary of Labor, after a public hearing, to be nation-wide in scope, dependent for their existence upon substantial purchases or sales in commerce or transportation in commerce, or to have a relation to commerce that is in other respects close and substantial.

Following a determination by the Secretary of Labor that an industry is an industry affecting commerce, each employer engaged in that industry would be subject to the minimum wage and maximum hour scales.

**MINIMUM WAGES.**—Section 4 provides that every employer engaged in commerce in an industry affecting commerce must pay during the first year each employee employed by him a wage at a rate not less than 25 cents an hour, and during each succeeding year increase such wage 5 cents an hour until the wage reaches 40 cents an hour. Hence the 40-cent rate in a particular industry will be reached at the end of 3 years.

**MAXIMUM HOURS.**—Section 5 provides that no employer engaged in commerce in an industry affecting commerce shall employ any of his employees for a workday longer than 8 hours, or during the first year shall employ any of his employees for a workweek longer than 44 hours. In each succeeding year the employer is required to reduce the weekly hours by 2 hours until a 40-hour workweek is reached. Hence the 40-hour workweek in a particular industry will be reached at the end of 2 years. No employee is to be deemed to be employed in violation of this section if he receives additional compensation for his overtime employment at the rate of one and one-half times the regular hourly rate at which he is employed, or times the rate applicable under or pursuant to the act, whichever is higher.

**EXEMPTIONS.**—The wage and hour provisions would not apply to the following:

- (1) Any employee employed in a bona fide executive, administrative, professional, or local retailing capacity, or in the capacity of outside salesman (as such terms are defined and delimited by regulations of the Secretary);
- (2) Any employee employed as a seaman;
- (3) Any employee of an employer subject to the provisions of part I of the Interstate Commerce Act;

(4) Any air-transport employee subject to the provisions of title II of the Railway Labor Act;

(5) Any employee employed in the taking of fish, sea foods, or sponges;

(6) Any employee employed in agriculture; or

(7) Any employee to the extent that such employee is exempted by regulations or orders of the Secretary relating to partial exemptions for learners, apprentices, and handicapped workers.

"Agriculture" is defined to include farming in all its branches, and among other things to include the cultivation and tillage of the soil, dairying, the cultivation, growing, and harvesting of any agricultural or horticultural commodities, the raising of livestock, bees, foxes, or poultry, and any practices performed by a farmer or on a farm as an incident to such farming operations, including preparation for market, delivery to storage or to market or to carriers for transportation to market.

"Employee employed in agriculture" is defined to include individuals employed within the area of production engaged in storing for the farmer, preparing (but not commercial processing), or packing agricultural or horticultural commodities in their raw, natural, or dried state. It does not include employees of transportation contractors engaged in transportation of farm products from farm to market.

**CHILD-LABOR.**—Section 10 contains the child-labor provisions which were adopted in the House when the bill was under consideration prior to its recommittal. It provides that no producer, manufacturer, or dealer shall ship or deliver for shipment in commerce any goods produced in an establishment situated in the United States in or about which within 30 days prior to the removal of such goods therefrom any oppressive child labor has been employed. The child labor provisions would not apply to any employee employed in agriculture.

Representative Ramspeck filed a minority report, expressing the opinion that the bill is arbitrary and discriminatory, violates the due-process clause of the Constitution and would be held unconstitutional. He pointed out that it provides for no fact-finding procedure and ignores the fact that in the United States there are thousands of varying conditions to which the inflexible provisions of the bill must be applied.

### TO STUDY FILL STANDARDS

#### Peaches, Pears, Apricots and Cherries to be Covered by Investigation

Studies will be undertaken by the Food and Drug Administration during the coming season to secure data regarding more effective standards for fill-of-container for canned peaches, pears, apricots and cherries, according to an announcement, under date of April 20th, issue by W. G. Camp-

bell, chief of the Administration. The announcement stated:

Representations have been made by canners to the Department that the fill-of-container standards for canned peaches, canned pears, canned apricots, and canned cherries given in Service and Regulatory Announcements, F. D. 4, Revision 4, permit the packing of cans with excessive packing medium. Full data necessary to make appropriate changes in these standards are not available at this time. However, thorough studies will be undertaken during the coming packing season, and as soon as the results are available, appropriate changes in the standards will be announced for discussion, looking toward the promulgation of revised standards for fill-of-container which will further "promote honesty and fair dealing in the interest of the consumer." In the meantime packers who are using more packing medium than is necessary for packing these fruits without impairment of quality are advised that as soon as proper data are available it is the purpose of the Department to make appropriate changes in the fill-of-container standards.

#### Minority Report on Food and Drug Bill

Department of Agriculture opposition to the court review provisions of the Food and Drug bill as reported by the House Interstate and Foreign Commerce Committee was made known Thursday when Representative Chapman of Kentucky filed in the House a minority report on the bill.

The minority report quoted a letter from Secretary Wallace to Representative Mapes of Michigan, in which the Secretary stated that "I am of the opinion that if Section 701 (f)—the Court review section—remains in the bill its effect will be to hamstring its administration so as to amount to a practical nullification of substantial provisions of the bill."

Representatives O'Connell of Montana, Wolverton of New Jersey, Holmes of Massachusetts, Wolfenden of Pennsylvania, and Mapes of Michigan joined with Representative Chapman in signing the report. An analysis of the bill as reported appeared in last week's LETTER.

#### Quarterly Old-Age Returns Due April 30th

The attention of canners is directed to the fact that the quarterly tax and information returns under Title VIII of the Federal Social Security Act, which relates to Old-Age Insurance, are due on or before April 30, 1938. It will be recalled that during the year 1937, canners were required to file monthly tax returns under Title VIII on Form SS-1. In addition, they were required to file semi-annual information returns on Forms SS-2 and SS-2a, which set forth detailed information as to the taxable wages paid to each individual employee.

As was pointed out in the INFORMATION LETTER for December 4, 1937, this procedure has now been revised, and during the year 1938 canners will file a single combined return each quarter in lieu of the separate tax and information returns previously required. The first of these quarterly returns, covering the months of January, February, and March, 1938, is now due, and should be filed with the local Collector of Internal Revenue, together with a remittance of the taxes due, on or before April 30, 1938.

The quarterly combined return is to be made on Form SS-1a, copies of which may be procured from local Collectors of Internal Revenue. On this form the canner must report the total taxable wages paid by him during the quarter and the amount of employer's and employee's tax due thereon. In addition, he must give the name and account number of each person employed by him during the quarter, together with the amount of taxable wages paid to each individual employee.

#### California Fruit Marketing Agreement Tentatively Approved

Tentative approval of a marketing agreement, applicable to certain California deciduous fruits, revised to change provisions relating to shipping regulations for Beurre Hardy pears, Bartlett pears, and Elberta peaches, has been announced by the Agricultural Adjustment Administration.

Copies of the agreement are being distributed to shippers for their signature. Growers will indicate whether they favor the issuance of an order embodying the terms of the agreement in a referendum the dates for which will be announced soon by the Agricultural Adjustment Administration. Present plans are to hold the referendum prior to May 31.

#### Arkansas Grape Growers to Vote on Marketing Program

The Agricultural Adjustment Administration has announced that a grower referendum will be held the week of April 25 on a marketing agreement program applicable to grapes produced in three Arkansas counties. The proposed agreement has been tentatively approved by the Secretary of Agriculture.

#### Canned Peas Shipped on Government Contracts

Shipments of canned peas purchased by the Federal Surplus Commodities Corporation totaled 424,998 cases in March. In February, the shipments amounted to 132,204 cases. The following table gives further details:

	Wisconsin	Ohio and	West	Total
	East	Indiana	Cases	Cases
	Cases	Cases	Cases	Cases
February .....	71,066	61,138	.....	132,204
March .....	59,176	350,872	14,950	424,998
Total .....	130,242	412,010	14,950	557,202

#### To Purchase Surplus Cabbage in South Carolina

The Federal Surplus Commodities Corporation will purchase surplus cabbage in South Carolina and allot it to State relief agencies for distribution to needy persons in several States.

Purchasing representatives of the Corporation will buy U. S. No. 1 cabbage from growers or handlers. First purchases are to be made of packaged cabbage; and purchases in bulk may be made later.

Production of cabbage in South Carolina is estimated at 28,000 short tons for 1938. Production in this State averaged 22,200 short tons annually from 1927 to 1936.

### INDICATED CANNING CROP ACREAGES

A decrease of 14.6 per cent in plantings of tomatoes for canning and for tomato products, an increase of 1.6 per cent in beet acreage, practically no change in kraut cabbage acreage, and a decrease of 23.3 per cent in acreage of cucumbers for pickles are indicated by reports issued by the U. S. Bureau of Agricultural Economics on April 22nd. Following are summaries from the reports.

**Beets.**—Canners indicate that plantings will total 13,740 acres, an increase of 1.6 per cent above the record high plantings of 13,530 acres in 1937. Average plantings for the seven-year period 1930-1936 were 7,150 acres. Prospective 1938 plantings in New York and New Jersey are 4,900 acres, a decrease of 5.8 per cent from last year; in Indiana, Michigan, and Wisconsin, 6,170 acres, an increase of 11.6 per cent; in Oregon and other States, 2,670 acres, a decrease of 4.6 per cent.

**Kraut Cabbage.**—Packers indicate practically no change from 1937 in that portion of the total kraut acreage that is represented by contract or the firms own plantings. While New York packers are apparently intending to decrease their contracted acreage this year 27 per cent, and Wisconsin 4 per cent, these decreases are offset by increases in Ohio, Michigan, Indiana, and Minnesota. The reporting kraut packers also purchase tonnage from a considerable portion of the open market acreage that is included in the total for kraut manufacture. But if the plans of the reporting packers are typical of plans of all kraut packers who contract or plant, they indicate the possibility of 9,970 acres for 1938.

**Pickling Cucumbers.**—The 1938 plantings in prospect are 91,630 acres or 23.3 per cent below the 119,480 acres planted in 1937, but about 5 per cent above the average plantings for the 1930-1936 period.

**Tomatoes.**—Canners and products manufacturers indicate that 1938 plantings will be 403,870 acres, which is 14.6 per cent less than planted in 1937 but 4 per cent more than the average for the seven years 1930-1936. Prospective 1938 plantings in New York, New Jersey and Pennsylvania are 62,800 acres, a decrease of 15.5 per cent; in Ohio, Indiana, Illinois, Michigan, Iowa, and Missouri, 136,100 acres, a decrease of 6.4 per cent; in Delaware, Maryland, and Virginia, 90,900 acres, a decrease of 10.8 per cent; in Kentucky, Tennessee, and Arkansas, 33,700 acres, an increase of 4.3 per cent; in Colorado, Utah, and California, 57,920 acres, a decrease of 38.6 per cent; in other States, 22,450 acres, a decrease of 8.9 per cent.

### In the Home Economics Field

At a meeting of the Buffalo, N. Y., Dietetic Association, held April 14th, at the Children's Hospital in Buffalo, Miss Atwater spoke to about 60 dietitians, representing not only hospital dietitians, but the director of the school cafeterias of the city of Buffalo, as well as many of the directors of social agencies working with nutrition programs. One woman was present from Tonawanda and said she would take the information that she had obtained that evening to 20 groups with whom she is working. This is typical of the cooperation and interest of dietitians everywhere.

On April 22nd, Miss Black spoke on the Mary Mason Home Forum hour over WRC in Washington. She described the new Home Economics Service Kitchen which is rapidly being completed at the Association headquarters, and explained the services to the canning industry and the consumer that will result from establishment of the kitchen.

### Helps Canner and Grocer

"I hardly know how to express my appreciation for this new treasure chest of recipes and information," writes a homemaker in acknowledging publications of the Home Economics Division. "I have read them all with deep interest and many of them will be most helpful in future planning of meals. After looking through the book 227 Tested Recipes for Canned Foods and What to Have—Any Day, Any Meal, Any Course, etc., I immediately made a new enlarged list for the grocer and can hardly wait to try all of the new dishes. I passed the set of booklets among our group and noticed that many of them copied the address on the outside envelope (of the National Canners Association)."

### Sales in March

**DEPARTMENT STORES.**—Sales showed less than the usual seasonal increase from February to March, according to the Federal Reserve Board. Total sales in March were 14 per cent less than in March last year, reflecting in part the fact that Easter was three weeks later this year than it was in 1937. It is estimated that an allowance for a reduction of about 7 per cent from a year ago should be made on this account.

**VARIETY STORES.**—Daily average sales for March were about 15 per cent below March, 1937, according to the Bureau of Foreign and Domestic Commerce. As compared with February of this year, daily average sales showed an increase of about 5 per cent, or more than the estimated seasonal amount. The total value of sales for the first quarter of the year was about 8 per cent below that for the corresponding period of 1937.

**RURAL RETAIL SALES.**—Daily average sales of general merchandise in small towns and rural areas for March were about 16 per cent below March, 1937, according to the Bureau of Foreign and Domestic Commerce. Sales increased about 9 per cent from February to March as compared with a usual increase of about 3 per cent at this season of the year. Sales for the first quarter of the year were 8 per cent below the same period of 1937. March sales, without allowance for the number of business days, were 15 per cent below March of last year.

### Frost Damages European Fruit Crops

Severe frost damage to fruit crops in England and on the continent of Europe has been reported to the U. S. Bureau of Agricultural Economics by cable from its office in London. Covering practically all of the United Kingdom and extending on the continent as far south as the Italian Tyrol, the frost damage, it was stated, undoubtedly will result in a substantial reduction in supplies of home-grown fruits and an increase in the demand for imported supplies.

Crops in England were especially hard hit. In that country the frosts began on April 10 and ran through the entire week. Heavy loss to all fruit crops is reported. Plums were wiped out entirely, cherries killed to the extent of 75 per cent, apples and pears over 50 per cent killed, and all bush fruit and strawberries practically wiped out.

On the continent, fruit crop damage was reported all the way from Northern Europe to the Italian Tyrol in the south.

In Switzerland the frost was said to be the worst in 80 years. Swiss fruit crops were entirely wiped out.

### Fruit and Vegetable Market Competition

Carlot Shipments as reported by the Bureau of Agricultural Economics, Department of Agriculture

	Week ending—		Season total to—		
	April 16 1937	April 16 1938	April 9 1938	April 16 1937	April 16 1938
<b>VEGETABLES</b>					
Beans, snap and lima.	157	321	388	5,409	5,227
Tomatoes.	705	1,316	1,108	8,042	11,113
Green peas.	106	158	90	975	1,654
Spinach.	377	342	268	7,351	6,220
Others:					
Domestic, competing directly.	5,104	4,892	7,427	86,781	84,525
Imports competing—					
Directly.	16	31	33	750	796
Indirectly.	24	27	22	1,657	2,302
<b>FRUITS</b>					
Citrus, domestic.	3,287	4,922	1,411	93,214	88,944
Imports.	0	0	0	109	125
Others, domestic.	253	549	453	19,253	20,953

### Japanese Sardine Exports Declined in January

Japanese exports of tomato sardines during January totaled 52,614 cases, a decrease of 1,049 cases as compared with the preceding month, according to a report to the American commercial attache at Tokyo.

Although no comparative figures for the 1937 trade were made available by the Japan Tinned Sardine Exporters Association, private comparisons with the official trade returns indicate exports of tomato sardines during January, 1938, declined 68.8 per cent in volume and 62.2 per cent in value as compared with January a year ago.

The Philippines continued to be Japan's best market during January, receiving 22,350 cases, or 42 per cent of the total exports.

### Hybrid Sweet Corn for Canning

A new publication from the Association's Raw Products Bureau, entitled "Hybrid Sweet Corn for Canning," has been mailed to all sweet corn canners who are members of the Association. A sufficient number have been printed so that extra copies can be supplied members, on request, for the use of production men, field men and others interested in the field testing and performance of Golden Cross Bantam and other hybrid types.

### BACTERIAL BLIGHT OF SWEET CORN

#### Forecast Issued in Plant Disease Reporter on Appearance in 1938

The April 1st issue of the Plant Disease Reporter contains an experimental forecast of the incidence of bacterial wilt of corn, comparable to the three other forecasts which have been published in previous years. Records of bacterial wilt in 1937 are included in this forecast, and temperature indices for the winter of 1937-38 at a number of stations in the northeastern United States are reported. These winter temperatures are given a good deal of weight in formulating such forecasts, as there appears to be a correlation between

this factor and incidence of wilt the following summer. The data on winter temperatures and wilt occurrence concludes with the following statement:

"On the basis of winter temperatures then, if the hypothesis now being tested is correct, there should be little change in the incidence of bacterial wilt as compared to last year in Ohio and Indiana, while commercially important losses should occur on susceptible varieties from northern Virginia to central New Jersey and possibly Long Island. Losses should be observably less than last year in Rockland County, New York, unless as previously suggested by one of the authors, the controlling influence of the slightly colder winter of 1937-38 may be counteracted by the fact that this was the second consecutive warm winter. Considering both winter temperature and possible accumulative effects, then, it seems very probable that the incidence of wilt in 1938 in the Eastern section may be very similar to that of 1937."

"As so often before, Rockland County, New York, will best repay a careful wilt survey in 1938 to determine the validity of the hypothesis upon which the above trial productions are based."

### April 1 Corn Stocks Report Revised

The April 1 stocks of "Bantam and Yellow Whole Grain" as reported on April 14 were in error. The revised figures are as follows: Eastern States Whole Grain Bantam Yellow total, 460,674; Western States Whole Grain Bantam Yellow total, 1,743,222. Total Stocks April 1, revised, 9,155,560; Shipments for March, revised, 1,423,778.

### Pea Aphid Control in 1938

The address of J. E. Dudley, Jr., of the U. S. Bureau of Entomology, entitled "What to Do About Pea Aphid in 1938 and How to Do It," delivered at the Wisconsin Canners Short Course at Madison March 23d, has been mimeographed for distribution. Copies have been supplied to Wisconsin pea canners. Other canners may obtain copies on request to the Bureau of Truck Crop and Garden Insects, Bureau of Entomology and Plant Quarantine, U. S. Department of Agriculture, Washington, D. C.

### CONTENTS

Wage and hour bill	5509
To study fill standards	5509
Minority report on food and drug bill	5510
Quarterly old-age returns due April 30th	5510
California fruit marketing agreement tentatively approved	5510
Arkansas grape growers to vote on marketing program	5510
Canned peas shipped on government contracts	5510
To purchase surplus cabbage in South Carolina	5510
Indicated canning crop acreages	5511
In the Home Economics field	5511
Helps canner and grocer	5511
Sales in March	5511
Frost damage European fruit	5511
Fruit and vegetable market competition	5512
Japanese sardine exports declined in January	5512
Hybrid sweet corn for canning	5512
Bacterial blight of sweet corn	5512
April 1 corn stocks report revised	5512
Pea aphid control in 1938	5512